- expense to be paid by Network) the programming included in the Service as Network is providing to other subscribers in the Territory. EchoStar shall have the right hereunder to distribute any and all additional feeds of the Service (including, without limitation, any additional time zone feeds or any SAP feed) at no additional cost. Any Service Subscriber receiving multiple feeds of the Service shall be counted as only one (1) Service Subscriber for all purposes. Network shall not "black out" any Service programming and the Service shall not include any programming for which Network seeks a surcharge fee.
- Infomercials. Network and EchoStar agree that "Infomercials," defined as program-length direct sales commercials or programming, including, but not limited to, "sponsor-owned promotional programming," shall relate only to family-oriented issues and products. Infomercials shall not comprise more than seventy-seven (77) hours of programming of the Service during any calendar week and shall only be broadcast between the hours of 1:00 a.m. and 12:00 p.m. (noon) on Monday, Wednesday through Saturday and between the hours of 12:00 a.m. (midnight) and 12:00 p.m. (noon) on Tuesday and Sunday (Eastern Time Zone). EchoStar shall not have the right to pre-empt such Infomercials, provided that if any other distributor pre-empts any Infomercial, then EchoStar shall have the same rights (in accordance with the Most Favored Nations provision contained in Section 12(n) of this Agreement). Network represents and warrants that to its knowledge, based upon reasonable inquiry, no other distributor is currently, or has in the past, inserted substitute commercial programming in lieu of such Informercials and that it shall inform EchoStar if it becomes aware of any other distributor inserting substitute commercial programming in lieu of such Infomercials, at which time, this Agreement shall be deemed amended to include such pre-emption right. Network agrees to provide a certification of compliance with respect to the foregoing upon written request by EchoStar.
- Commercial Advertising and Advertising Avails. Except with respect to those times when Infomercials are permitted as provided in Section 1.1(c) above, the Service shall not contain more than sixteen (16) minutes per hour of commercial advertising time (including without limitation all forms of revenue generating "advertainment" programming and traditional television commercial advertisements, and, which, for clarification, includes Direct-On-Air Sales programming). Network shall make two (2) minutes per hour of such commercial advertising time available to EchoStar (such available time defined as "Avails"). EchoStar shall have the right to use such Avails in its sole and exclusive option and control (including, without limitation for use in promoting programming that airs on the Distribution System or the sale of commercial advertising time to third parties). Without limiting the foregoing, EchoStar shall be entitled to at least the same number of minutes of commercial advertising time on the Service as any other distributor (for clarity, in accordance with the Most Favored Nations provision contained in Section 12(n) of this Agreement). All Avails shall be evenly distributed in all material respects throughout each and every hour of the Service and shall not occur between the actual or apparent end of one program and the actual or apparent beginning of another program. EchoStar shall have the right to retain for itself all of the proceeds derived from the sale of Avails. If the total amount of commercial announcement time on the Service (including time allocated to EchoStar hereunder) increases after the date hereof, EchoStar shall have the right to terminate this Agreement or at EchoStar's election, the Avails shall increase by fifty percent (50%) of such increase (e.g. if Network increases the total amount of commercial announcement time on the

Service by sixty (60) seconds, EchoStar will receive thirty (30) seconds of such additional commercial announcement time). EchoStar agrees and acknowledges that the termination right contained in the foregoing sentence shall be subject to a forty five (45) day cure period in the case of an increase in commercial announcement time over two (2) minutes and a thirty (30) day cure period in the case of an increase in commercial announcement time of less than two (2) minutes. The same election shall apply to each increase of commercial announcement time. Network shall properly "tone switch" all Avails using equipment which is technically compatible with the equipment used by EchoStar (using inaudible signals known as cue tones). Network shall make all reasonable accommodation requested by EchoStar with respect to ad insertion during the Avails. EchoStar shall be solely responsible for all materials inserted by EchoStar within the Service, and, subject to the indemnification provisions contained herein, shall fully indemnify and hold Network harmless from and against any and all claims and costs arising out of or related to the content of EchoStar's Avails pursuant to this paragraph. EchoStar agrees that it shall not provide any commercial or other announcements which do not comply with federal regulation which is applicable to EchoStar. The Avails inserted by EchoStar into the Service shall not contain any material that is obscene or defamatory or violates the rights of any party, including without limitation, contractual rights, intellectual property rights, the rights of privacy or publicity, copyright, trademarks, service marks, dramatic performance, musical performance, or musical synchronization, or literary right of any person or party, or any other applicable rule, regulation, or law. Network shall maintain true and accurate books and records relating to its compliance with this Section 1.1(d) and EchoStar shall have the reciprocal audit rights afforded to Network pursuant to Section 6 of this Agreement in order to verify compliance herewith

- Content Deviation. If EchoStar, in good faith, determines that the Service includes programming prohibited by this Section 1.1 and/or does not include programming of at least the quantity, quality, type and content as required by this Section 1.1 (except that Echostar shall be responsible for the content inserted into the Service by Echostar) (a "Content Deviation"), EchoStar shall provide Network with written notice stating with sufficient specificity to allow a person reasonably familiar with Network's programming to understand the basis for such alleged Content Deviation. If such alleged Content Deviation is capable of being cured and has not been cured to EchoStar's reasonable satisfaction within thirty (30) days from the date Network received such written notice, EchoStar shall have, at its sole discretion, the right to: (i) preempt the deviating and/or prohibited programming; and/or (ii) receive credit against any moneys due to Network or any of its Affiliates (including, without limitation, License Fees (as that term is defined below) whether or not such License Fee is actually payable by EchoStar) under this Agreement in the proportion that the hours (or portion thereof) of programming each day, which is either prohibited or deviates from the programming required herein bears to twenty-four (24) hours. In the event Echostar has provided such written notice to Network with regard to two (2) or more separate alleged Content Deviations within any consecutive twelve (12) month period during the Term Echostar may elect to terminate this Agreement.
- compliance or non-compliance (as the case may be) of this Section 1.1 signed by an officer of the company within thirty (30) days of the last day of each calendar year during the Term, or upon written request by EchoStar at any other time during the Term. Additionally, Network shall

provide EchoStar with notice if any other distributor of the Service makes an allegation which would, if proven true amount to a breach of this Section 1.1.

(g) <u>Materiality of Provision</u>. Network acknowledges that compliance with the provisions this Section 1.1 are material to this Agreement, and that any remedial measure specified herein is bargained for, not as a penalty, but rather as a reasonable allocation of damages which would otherwise be difficult to ascertain. Any remedy specified herein shall be in addition to and not in limitation of any other rights or legal or equitable remedies EchoStar may otherwise have.

2. Grant of Rights.

Grant of Rights. Network hereby grants to EchoStar throughout the Term, and (a) EchoStar hereby accepts, a non-exclusive, limited right and license to (i) receive the Service, (ii) digitize, compress, and modify and or otherwise technologically manipulate the signal for the Service. (iii) encode, re-uplink and transmit the signal of the Service, and (iv) market, promote, offer subscriptions to, and authorize the reception of the Service by Subscribers in the United States, its territories and possessions ("Territory") (provided that notwithstanding the foregoing definition. Network understands and agrees that the Service signal when transmitted from a satellite by Echostar may extend beyond the geographic boundaries of the Territory and that such "spill-over", in and of itself, shall not constitute a breach of this Agreement) to both residential and commercial customers using the Distribution System for receipt and display using any form of audio video display technology now existing or hereafter developed. Additionally, and without limiting the generality of the foregoing, EchoStar may, (A) directly or indirectly (through sub-licensing resale or otherwise) sub-distribute the Service to independent television programming distributors who employ any modality of technical distribution either now existing or hereafter developed (including without limitation, all forms of audio video distribution technology, terrestrial cable of any kind, satellite, microwave, wireless Internet, 3G technology and/or any other form or method of distribution technology) and (B) transport and arrange for the transport of the signal of the Service as necessary to exercise the rights granted to EchoStar hereby (such transport rights shall for the avoidance of doubt include the right to transport to third parties who obtain rights to distribute and display the Service independent of EchoStar), provided that EchoStar agrees that it shall not sub-distribute or provide transport to franchised cable operators without the written consent of Network. For clarity, the parties agree and acknowledge that Network grants to EchoStar the same rights described in this Section 2(a) with respect to the ITV Wagering Application. The parties agree and acknowledge that commercial Subscribers as contemplated hereby shall include all forms of commercial multiple unit residential facilities and commercial establishments including, without limitation, communal living facilities, cooperatives and/or associations, places of public accommodation or free to guest facilities bars, restaurants, dormitories, condominiums, long term care facilities, apartment complexes, town-homes, gated communities, airplanes, airports, marinas, prisons, casinos, health cfirbs: office complexes and individual offices within offices-complexes, hotels, motels RV parks and campgrounds. The term commercial Subscriber may also refer to sub-distributees (in accordance with the sub-distribution and re-sale rights granted to EchoStar herein).

(b) <u>Limitations of Rights</u>. The right and license granted to EchoStar herein shall be limited to marketing, promoting, offering and selling subscription to, and authorizing receipt of the Service by Subscribers in connection with subscriptions of no less than one (1) month and no greater than one (1) year in duration. EchoStar agrees that it shall not knowingly and intentionally authorize distribution of the Service to an establishment that has or institutes an off-track wagering facility. In the event that EchoStar becomes aware of any such off-track wagering establishment, EchoStar shall deauthorize such Service Subscribers (as defined herein) as soon as commercially practicable.

(c) <u>Distribution Commitments</u>.

- (i) Packaging. The parties acknowledge that EchoStar currently provides the Service to all Subscribers receiving the most widely distributed package of Television Programming Services (currently marketed as America's Top 60, in both a residential and commercial setting the ("Basic Package" or "Commercial Package" as applicable in each setting respectively)), and to all Subscribers receiving any other packages of Television Programming Services of which such Basic Package and/ or Commercial Package is a subset. EchoStar shall continue, throughout the Term, to distribute the Service as part of such Basic Package and Commercial Package (as such Basic Package and/or Commercial Package may be configured and/or renamed during the Term), and in any other packages of Television Programming Services of which such Basic Package and/or Commercial Package is a subset. So long as EchoStar continues to distribute the Service as part of its Basic Package and Commercial Package, EchoStar shall also have the right to distribute the Service as part of any other package of Television Programming Services (either commercial or residential) and/or on an a-la-carte basis to residential and/or commercial Subscribers.
- (ii) <u>ITV Wagering Application</u>. Subject to the conditions set forth below in Section 2(e), EchoStar shall launch the ITV Wagering Application.
- Signal. In no event shall EchoStar be obligated to transmit more than the primary video and a single stereo pair of primary audio programs along with all materials applicable law requires EchoStar to pass through to Service Subscribers. Network reserves and retains all rights in and to all signal distribution capacity contained within the bandwidth of the signal of the Service, including without limitation, the VBI (and/or its digital equivalent) and audio sub-carriers from its transmission point to the point of reception by EchoStar. EchoStar retains and reserves any and all rights in and to, and may use in its sole discretion, all signal distribution capacity contained within the bandwidth of the signal of the Service, including, without limitation, the VBI (and/or its digital equivalent) and audio sub-carriers, from the point of reception by EchoStar to the Service Subscribers in the Territory. Network agrees that it shall not embed any material or information into or around any portion of the signal of the Service that cannot be removed and/or blocked by the Distribution System using equipment then-existing and available at the Broadcast Center (as defined in Section 3 below). (which blocking is expressly permitted hereunder and, in respect of which, Network agrees to provide EchoStar such reasonable assistance and information as EchoStar may request). Network further agrees that it shall not knowingly embed any material, information, data, images, sounds or features into or around any portion of the signal which would impede, interfere with or degrade the function of

any hardware, software, firmware or any other equipment or devices then in use by EchoStar provided that if Network unknowingly so impedes interferes with or degrades any such items it shall immediately remove any such materials upon notice from EchoStar.. Network represents and warrants that, it is not currently engaged in any undisclosed embedding with respect to the Service and agrees that is shall provide EchoStar with ninety (90) days' advance written notice (or such shorter time as is practicable under the circumstances) of its intention to embed any information in or around the signal prior to commencement of such embedding, which notice shall describe with specificity the information Network intends to so embed and the technical placement of such information within the signal of the Service. Further, Network agrees that after commencement of its embedding of any information in or around the signal it shall provide one hundred twenty (120) days' advance written notice (or, if shorter, the maximum length of time that is practicable under the circumstances) of its intention to change any of the information embedded in or around the signal of the Service and/or the technical placement of such information within the signal. For clarity, the parties agree and acknowledge that EchoStar shall have the right (but not the obligation) to distribute all data, information or other materials included in the VBI (and/or its digital equivalent) to Service Subscribers as part of the Service. EchoStar agrees and acknowledges that the forgoing shall not serve to limit EchoStar's obligation to distribute the ITV Wagering Application in accordance with this Agreement.

- Network Marks. EchoStar acknowledges that, as between Network and EchoStar, the names and marks "TVG" and "TVG Network" and other such trade names, logos, and trademarks or service marks as Network elects to use or associate with the Service, or any part thereof (collectively, the "Network Marks") are, and shall at all times remain, the sole and exclusive property of Network. EchoStar is hereby granted a non-exclusive, non-transferable, non-assignable royalty free license during the Term of this Agreement to use such Network Marks solely for the purpose of promoting the Service and the availability of the Service through EchoStar pursuant to the terms hereunder. Subject to the terms and conditions contained herein, and notwithstanding the non-transferable and non-assignable nature of the license granted in the foregoing sentence, EchoStar may allow third parties that form a part of EchoStar's programming distribution chain to use the Network Marks as part of promotional materials provided and/or approved by EchoStar. EchoStar further acknowledges and agrees the value of the goodwill associated with the Network Marks, and that any additional goodwill which may be created through EchoStar's use of the Network Marks shall inure to the sole benefit of Network. EchoStar shall not materially alter the form or style of the Network Marks (including any notices of ownership included therewith).
- Infrastructure. Network shall develop a unique version of its ITV Wagering Application which is compatible with and compliant to EchoStar's specifications (as such specifications may be changed from time to time in the sole discretion of EchoStar) (the "Developer's Welcome Kit") provided that EchoStar agrees and acknowledges that Network shall not have any duty to comply with the provision of the Developer's Welcome Kit which apply to the use of the Distribution. System for user return path issues). Network and EchoStar agree to meet and confer as soon as reasonably practicable following the Effective Date and to negotiate in good faith with respect to a document which sets forth technical and business specifications for the ITV Wagering Application for each line or model of set top box utilized by the Distribution System (the

"Master Plan Document"). For clarity, the parties agree and acknowledge that the Master Plan Document shall include all material elements and specifications which are required and/ or associated with the ITV Wagering Application functioning on the Distribution System, including without limitation all user interfaces, bandwidth usage, technical capabilities, functional requirements, development actions, testing procedures and deployment schedules. The Master Plan Document shall be subject to the approval of both EchoStar and Network. The launch of the ITV Wagering Application and the deployment within each model of EchoStar's digital set top box receiver is expressly contingent upon successful development and testing in accordance with the Master Plan Document. For clarity, and notwithstanding EchoStar's duty to negotiate in good faith with respect to the Master plan Document, the parties agree and acknowledge that EchoStar shall not have any obligation to alter its production schedule or bandwidth allocation processes, provided that EchoStar shall not alter its production schedule or bandwidth allocation processes with the specific intent of circumventing its obligations hereunder. Network shall develop that certain application software along with all application interfaces which will be used to include the data stream for the ITV Wagering Application as a part of the Service (the "Application Software") (for clarity the term Application Software shall include the defined term Software). All costs directly related to the development, integration and delivery of the Application Software shall be the sole responsibility of Network. After the ITV Wagering Application has been deployed on the Distribution System, if Network desires to make changes to the Application Software, Network must submit such changes to EchoStar and EchoStar. in its sole discretion, may either accept or reject Network's changes, provided that EchoStar shall not exercise such discretion in a manner whish disadvantages Network disproportionately with other Services similarly situated. EchoStar has developed certain software, including, without limitation, any interfaces, application development tools, application streamers, broadcast server interfaces, advance database spooler interfaces, and any set top box application software ("System Software"). As between EchoStar and Network, EchoStar shall retain exclusive ownership of the System Software, along with all Intellectual Property Rights associated with the System Software and all derivative works thereof. Network agrees and acknowledges that any portion of the Service which may be developed by EchoStar, including without limitation the System Software and any Application Software interfaces shall, as between EchoStar and Network, remain the sole and exclusive property of EchoStar. The parties hereby acknowledge and agree that notwithstanding anything to the contrary contained herein, EchoStar shall at no time be required to develop any portion of the Service, including any changes to the System Software (with the exception of any changes agreed to in the Master Plan Document). Except to the extent that the System Software may make up some portion of the ITV Wagering Application, as between EchoStar and Network, Network shall retain exclusive ownership of all Intellectual Property Rights to the ITV Wagering Application.

(f) Account Wagering Registration and Reconciliation Process

(i) Account Wagering Registration. Network agrees that in order to establish an Account Wagering Account, each Person desiring to do so shall be required to complete an account application ("Application"). Network agrees that the Application shall include certain required fields that are mandatory for each such Person to complete prior to engaging in Account Wagering ("Required Fields"). Network agrees that the Required Fields shall include at a minimum the following: (A) a field which requires each Person to specify whether or not they

pay for the delivery of television service to their residence or place of business; and (B) a field which requires each Person to specify which pay TV service delivers video programming to such Person's residence or place of business (which field shall include DISH Network as a choice). Network shall take all steps necessary to ensure that each Person that establishes an Account Wagering Account shall be required to update the foregoing Application information on at least an annual basis. In the event any such Person does not update the information contained on the Application on such annual basis, Network will use commercially reasonable efforts to make further contact with such Person to update the Account Wagering Account. For clarity, all Persons that designate DISH Network as their pay TV provider pursuant to (A) and/or (B) above shall be deemed a Service Subscriber hereunder for the purposes of revenue sharing as set forth in Exhibit A, attached hereto and incorporated herein.

(ii) Account Wagering Reconciliation Process. The parties will reconcile their respective subscriber lists to ensure that EchoStar is receiving the full benefit of Distribution and Communications Fees attributable to EchoStar in accordance with Exhibit A as follows: (A) the reconciliation shall be initiated by Network at least one (1) time in each calendar year during the Term (B) for the applicable calendar year, the parties shall each submit the personal identifying information of Service Subscribers and Persons who engage in Account Wagering respectively to a mutually agreed to third party auditor (such agreement not to be unreasonably withheld, qualified or delayed and provided that such auditor shall be required to execute a non-disclosure agreement with each party that is in a form acceptable to the party providing the subscriber information) and (C) such independent auditor shall, within thirty (30) days compare the parties respective submissions and identify any Service Subscribers for whom EchoStar has not received its share of Distribution and Communications Fees. If the audit reveals that a Service Subscriber is receiving the Service from EchoStar, but has identified another distributor (i.e. that the Service Subscriber may be receiving programming from multiple distributors) Network will use commercially reasonable efforts to contact such Service Subscriber to establish the distribution source used to view the Service. If Network either establishes that the Person in question is using the Distribution System for Account Wagering, or is unable to establish the distribution source and certify that the Person in question is receiving the Service from a distributor other than EchoStar, then such person shall be deemed a Service Subscriber; provided that EchoStar agrees that if at the time such a Person is deemed to be a Service Subscriber Network has already paid a third party distributor its portion of the Distribution and Communications Fees, EchoStar shall not claim its portion of Distribution and Communications Fees for such Person during the time period for which Network has already paid such fees to such third party. All fees and costs related to this audit shall be shared equally between Network and Echostar. Network shall then compute Distribution and Communications Fees for such persons and pay to EchoStar its share of such Distribution and Communications Fees in accordance with Exhibit A as a part of the payment which follows each such reconciliation (such payment to specifically identify the reconciliation). Network shall keep accurate books and records concerning all Account Wagering, the establishment of Account Wagering Accounts, and the payment of all monies due to Echostar pursuant to the revenue sharing provisions contained in Exhibit A, attached hereto. Echostar shall have the right to audit such books and records in accordance with the provisions of Section 6 below.

- Internet Restrictions. Network agrees that in no event shall it or any its Affiliates exhibit, distribute or "stream" (including, without limitation, on a time delayed, simulcast or other basis) or permit or authorize any third party (with the exception of EchoStar) to exhibit, distribute or "stream" (including, without limitation, on a time delayed, simulcast or other basis) the Service or any portion of the Service, or any programming comprising a portion of the Service using the "Internet", any online service, or any broadband, wireline or wireless service, or over any local or wide area computer network, including, without limitation, in multimedia, interactive, three dimensional or other augmented or enhanced format (collectively, "Alternative Distribution Means"), whether for a fee or otherwise; provided, however that notwithstanding the generality of the foregoing, EchoStar acknowledges and agrees that Network shall be permitted to distribute or to authorize the distribution of limited portions of the Service or segments of programming comprising a portion of the Service for promotional purposes only ("Promotional Excerpts"), in the above manner, subject at all times during the Term to the following restrictions: (i) each Promotional Excerpt shall be no more than five (5) minutes in duration: (ii) no more than four (4) Promotional Excerpts in any twenty-four (24) hour period shall be comprised of content from the same program; and (iii) Promotional Excerpts shall not exceed an aggregated total duration of sixty (60) minutes in any twenty-four (24) hour period. Nothing contained herein shall prohibit Network from exhibiting "Raw Race Footage" of any particular race on the Internet, provided that Network shall ensure that such Raw Race Footage is for information purposes only and that such Raw Race Footage is not and shall not become a professionally produced entertainment product which will compete with the Service. "Raw Race Footage" shall mean video simulcast which is not professionally produced of a horse race that is distributed to monitors located on the premises of the race track at which such horse race is being run, for viewing at such race track simultaneously with such race. Any web-site used or otherwise authorized by Network to distribute or stream Promotional Excerpts of the Service in accordance with the foregoing shall be subject to the same restriction on advertising contained in Section 1.1(b) of this Agreement; provided, however, that any such web-site may contain information with respect to multi-channel video programming distributors or other entities that compete with EchoStar so long as EchoStar is positioned in a manner and with the same frequency, such that EchoStar is not competitively disadvantaged in any way, and further provided that EchoStar approves such advertising of any such competing multi-channel video programming distributor in advance, which approval shall not be unreasonably withheld.
- (h) <u>VOD, HDTV, ITV Content</u>. Network agrees that (for clarity, in accordance with the Most Favored Nations clause contained in Section 12(n) of this Agreement) it shall offer to EchoStar any VOD, HDTV, ITV or other similar content that is offered through or originating from the Service on terms and conditions that are as good as or more favorable than the terms and conditions under which any such material is offered or provided to any other distributor of the Service.
- (i) <u>Program Guide</u>. During the Term, Network at its sole cost and expense, shall provide the daily programming schedule for the Service, including and Infomercials contained therein) to Tribune Media Service or such other program schedule provider as identified by EchoStar in order that EchoStar may access the program schedule for purposes of its on-screen program guide. Network agrees to provide such information in accordance with all reasonable

timing requirements specified by Echostar or Echostar's designee as such requirements are determined by EchoStar from time to time in its sole discretion.

3. Delivery.

- Video Delivery. Network shall deliver to EchoStar the national feed of the Service (or, if Network uses multiple feeds for the Service, such feed designated by EchoStar in EchoStar's sole discretion). Network shall, at its sole expense, deliver the feed of the Service from to EchoStar's uplink and broadcast facilities or such other facilities as determined by EchoStar (collectively, the "Broadcast Centers") pursuant to that certain letter agreement by and between Network and EchoStar, dated November 17, 2003. Without limiting the generality of the foregoing, in connection with the delivery of the Service, Network shall, at its sole cost and expense at all times during the Term, provide EchoStar with four (4) receivers and decoders which are technically compliant with the Distribution System and capable of receiving the Service (which receivers EchoStar acknowledges Network has provided). Network shall have in place appropriate back-up transponder space on a second domestic communications satellite, or shall reserve back-up fiber link to the Broadcast Centers, such that in the event of a failure of the first satellite or fiber link, delivery of the Service to EchoStar shall not be interrupted or discontinued. In the event Network seeks to change (i) the primary delivery mechanism from which the Service is delivered at any during the Term (ii) the technology used by Network to encrypt the Service to a technology not compatible with EchoStar's then-existing descrambling equipment, or (iii) compresses, digitizes or otherwise modifies the signal of the Service in a manner that is likely to cause technical difficulty, Network shall provide EchoStar with not less than ninety (90) days' prior written notice of such proposed change as contemplated in Sections (i), (ii) or (iii) above and, in the event EchoStar approves such proposed change, Network shall provide EchoStar with the necessary equipment required to receive the Service, using the new delivery method and reimburse EchoStar for the reasonable expenses associated with installing and testing such equipment. In addition to the foregoing, Network agrees and acknowledges that any such new transmission methodology, encryption or compression technology shall be of a type which is commonly used for the delivery of television programming in the Territory and must be receivable by the Broadcast Center designated by EchoStar. If Network fails to comply with the foregoing technology change provisions, EchoStar shall have the right to delete or discontinue carriage of the Service (subject to a ten (10) day cure period from the day EchoStar provides Network notice of such failure).
- (b) <u>ITV Wagering Application Delivery</u>. Additionally, and without limiting the generality of the foregoing, upon launch of the ITV Wagering Application, Network agrees to use its commercially reasonable efforts to deliver the ITV Wagering Application to EchoStar in accordance with the Master Plan Document.
- (c) Technical Quality. Network shall provide the Service to EchoStar, and EchoStar shall provide the Service to Subscribers, with video and audio-of-a-technical quality which is in accordance with industry standards for pay television service delivered via direct broadcast satellite. Each of EchoStar and Network agree and acknowledge that the Service as provided by the parties respectively as of the Effective Date comports with the foregoing standard.

- (d) <u>EchoStar Support</u>. The effectiveness and quality of the Service provided by Network pursuant to this Agreement is dependent on certain operational support from EchoStar. Among other things, EchoStar agrees to:
 - (i) Notify Network by fax or phone of any Service reception problems.

 Network shall provide EchoStar with contact information from time to time during the Term for reporting such problems.
 - (ii) Broadcast the Service to Subscribers of comparable quality to that delivered to EchoStar by Network, provided that nothing contained herein shall be construed to require EchoStar to distribute the Service in a manner which is different than it distributes other programming services similarly situated.
- (e) Network Customer Support. Network agrees that it shall be solely and exclusively responsible for all customer support issues relating to or in any way arising from Account Wagering (which support shall cover without limitation any problems with wagers placed using the ITV Wagering Application and all return path support associated with the ITV Wagering Application (by way of example but not limitation all telecommunications infrastructure, consumer premises equipment (other than the set top boxes provided to Service Subscribers by EchoStar).

4. Promotion of the Service.

- Network shall provide EchoStar, upon EchoStar's request, with promotional and (a) marketing advice for purposes of EchoStar's marketing of the Service. Network shall promptly provide EchoStar, upon the same terms as provided to any other distributor, with any and all promotional, marketing or other related or similar materials for (or related to) the Service which it produces or provides to such other distributor (for clarity, in accordance with the Most Favored Nations Provision contained in Section 12(n) of this Agreement); and if EchoStar shall request additional materials, then Network shall promptly provide such materials to EchoStar and EchoStar shall reimburse Network for the actual, third-party costs thereof. EchoStar shall, at all times throughout the Term, use commercially reasonable efforts to promote the Service to Subscribers and potential Subscribers with the aim of maximizing the number of Service Subscribers to a materially similar extent as it promotes other networks similarly situated in term of packaging and pricing. In any general advertising of the Basic Package or any Television Programming Services in other packages containing the Service by EchoStar to prospective or current Service Subscribers, the Service shall not receive treatment which disparages or disadvantages the Service in comparison with other Television Programming Services in such packages. EchoStar shall not delete or alter, or authorize the deletion or alteration of, any copyright or trademark notice, logo, credit or any other mark included in any promotional materials provided to EchoStar by Network.
- (b) EchoStar shall consult with Network, at Network's request, with regard to strategies for marketing, sales, promotion, and advertising of the Service, including any product training efforts with regard to EchoStar's marketing, sale and promotion of the Service and of Account Wagering related to the Service.

(c) <u>Dealer Showroom Accounts</u>, <u>VIP Accounts</u>. In addition to Section 5(g), EchoStar shall be entitled to authorize (i) agents authorized to sell EchoStar's programming services, including without limitation, consumer electronic equipment dealers, TVRO dealers, telephone companies, private cable companies, direct sales agents, and other agents to receive the Service for the sole purpose of demonstrating to their potential retail customers the functioning of the Distribution System reception equipment and EchoStar's services, including the Service, and (ii) "VIP" subscriber accounts for EchoStar's employees, key customers, vendors, and other similar parties to receive the Service.

5. Charges and Payments.

- (a) <u>License Fee and Payments</u>. Not later than forty five (45) days following the end of each calendar month during which a reporting month ends, EchoStar shall pay to Network the License Fee (as provided on Exhibit A) as applicable for such month, which shall be calculated in accordance with <u>Exhibit A</u>. Payment shall be considered past due if not received within the forty five (45) day period following the end of each such calendar month. For purposes of this Agreement, a reporting month shall be from the 22nd day of each calendar month through the 21st day of the following calendar month. Any dispute by Network regarding the amounts invoiced must be made in writing within sixty (60) days from date of invoice. The parties agree that the terms, conditions and fees contained in <u>Exhibit A</u> will prevail, notwithstanding amounts invoiced to EchoStar or accepted by Network. Not later than forty five (45) days following the end of each calendar month during which a calendar quarter ends Network shall pay to EchoStar revenue share for such calendar quarter, which shall be calculated in accordance with <u>Exhibit A</u>. Payment shall be considered past due if not received within such forty five (45) day period.
- (b) Service Subscriber Calculation. For purposes of making the calculations of the monthly License Fee, the number of Service Subscribers shall be determined by adding together the number of Service Subscribers as of the beginning of the first day and the number of Service Subscribers as of the ending of the last day of each reporting month, dividing the resulting sum by two (2), and then rounding the resulting quotient up to the nearest whole number.
- (c) Reports. EchoStar shall calculate and submit to Network a monthly report in a form reasonably acceptable to the parties (network acknowledges that the form provided to date are acceptable), itemizing: (i) the number of Subscribers as of the last day of the reporting month, (ii) the number of Service Subscribes as of the first and last day of the reporting month, and (iii) all other information necessary or requested by Network in order to calculate the License Fee.
- (d) <u>Subscriber Number Manipulation</u>. EchoStar expressly agrees that it shall not engage in a pattern of temporarily deauthorizing Service Subscribers at the beginning or ending of any month in an attempt to understate the number of Service Subscribers. In the event of such an attempt, in addition to all other rights and remedies which Network may have, Network shall reserve the right to utilize the highest daily Service Subscriber count during each month for

which the Service Subscriber count was understated and use such count for calculating payment(s) due to Network for each such month.

- (e) Interest. Any amounts not paid by either party when they are due shall accrue interest, compounded monthly, at the rate of per month, or the highest lawful rate, whichever is less, computed from the date such amounts were due to the date they are paid. In addition, Network reserves the right, upon thirty (30) days prior written notice, to discontinue provision of the Service to EchoStar in the event payment of any amounts due hereunder are not received by Network by the due date, subject to EchoStar's right to cure such non-payment during the thirty (30) day notice period.
- (f) <u>License Fee Adjustment</u>. Beginning on the first anniversary of this Agreement and annually thereafter (each, the "Adjustment Date"), the License Fee (as set forth on Exhibit A) will be adjusted in an amount equal to the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, during the then-immediately-preceding twelve (12) month period, or whichever is less. The effective date of such adjustment will be the first day of the calendar month coincident with or following the Adjustment Date, regardless of when invoiced for such adjustment.
- Bulk Rate Calculation. EchoStar shall have the right to calculate License Fees on a bulk-rate basis with respect to distribution of the Service to (i) residential or commercial Subscribers that receive the Service as part of a package of programming from the Distribution System via a third party distributor ("Subdistributor(s)") and/or (ii) any location containing multiple sites such as rooms, units, seats, televisions, etc. at which the Service may be received at such multiple sites within the location, including, without limitation, multiple dwelling facilities, hotels, motels (and other places offering temporary residence), commercial offices (including private aircraft), hospitals and other healthcare facilities, university dormitories, prisons, commercial buses, commercial ships, commercial airlines, trains and oil rigs (each a "Bulk-Rate Facility(ies)") as follows: The number of Service Subscribers attributable to each such Bulk-Rate Facility and/or Subdistributor shall be equal to the monthly retail rate the Bulk-Rate Facility and/or Subdistributor is charged for the Service or for the package of services in which the Service is distributed, divided by the residential monthly retail rate a non-bulk rate Subscriber is charged for the Service or for such package of services; provided, that, in no event will the number of Service Subscribers calculated for any such complex exceed the actual number of occupied dwelling units receiving the Service in such complex. Notwithstanding anything contained herein to the contrary, EchoStar reserves the right to calculate the number of Service Subscribers with respect to Subscribers that receive the Service via a Subdistributor on the basis of actual units receiving the Service.
- (h) Gratis Service Subscribers. Notwithstanding anything contained herein to the contrary, the number of Service Subscribers for any reporting month shall not include: (i) employees of EchoStar who are not charged for the Service; (ii) public officials, administrative personnel or public buildings that are not charged for the Service (iii) retail outlets that receive the Service without charge for promotional exhibition purposes; (iv) Service Subscribers who have not paid the amount which they are required to pay for the level of service or package of services on which the Service is distributed and who, as a result, have, as of the last day of the

reporting period, delivery of such level of service or package of services to them terminated or de-authorized; and (v) any test site used by EchoStar for testing or marketing display. For clarity, the parties agree and acknowledge that any Service Subscriber who receives the Service either through more than one (1) distribution technology from EchoStar and/or any Affiliate of EchoStar, or on more than one tier, level or package of programming services, shall be included in the Service Subscriber count as only one (1) Service Subscriber.

6. Audit.

- By Network. EchoStar agrees to keep accurate and complete records, in accordance with generally accepted accounting principles, in order to determine the accuracy of EchoStar's payments and reports rendered pursuant hereto, including number of Subscribers receiving the Service, and to retain such records for two (2) years following their generation. Network, through an independent auditor, shall have the right, subject to thirty (30) days prior written notice to EchoStar, to examine, audit, and review all applicable records and accounts once each calendar year during EchoStar's normal business hours. Any audit covering a calendar year shall be commenced by the end of the following calendar year, and any action arising out of completed audits shall be commenced within one (1) year from the date upon which Network discovers, or should have reasonably discovered the claim, except for cases of fraud, in which case Network may commence an audit or action at any time. This right to audit shall continue for two (2) years after the termination of this Agreement. EchoStar shall pay to Network all amounts discovered to be due Network as a result of any audit within thirty (30) days of invoice. In addition, in the event any such audit by Network reveals a discrepancy of or more in Network's favor, EchoStar agrees to pay all reasonable costs of Network's audit, and such costs shall be added to Network's invoice for amounts due.
- (b) By EchoStar. Network agrees to keep accurate and complete records, in accordance with generally accepted accounting principles, in order to determine the accuracy of payments rendered by Network to EchoStar pursuant to this Agreement. In addition, Network agrees to keep accurate and complete records regarding all Account Wagering, establishment of Account Wagering Accounts and the payment to EchoStar of all monies and payments due pursuant to the revenue sharing provisions of Section 2 of Exhibit A, attached hereto in order to determine the accuracy of Network's payments and reports rendered pursuant hereto, and to retain such records for two (2) years following their generation. EchoStar shall have reciprocal audit rights as set forth in the immediately preceding paragraph for Network to verify Network's compliance with its payment obligations hereunder.

7. Confidentiality.

(a) Both parties agree that each may have access to information, trade secrets, or other confidential or proprietary information of the other ("Confidential Information"), including without limitation, the terms and conditions contained in this Agreement, the disclosure of which could result in irreparable harm to the non-disclosing party. Both parties hereby agree that all Confidential Information communicated by one party to the other, whether before or after the date hereof, has been and shall be received in strict confidence, shall be used only as permitted in connection with the performance of this Agreement and that no such Confidential Information

shall be disclosed by either party except (a) with the express written consent of the other party, (b) to the extent required by applicable law upon written advice of counsel and subject to the constraints below, (c) in connection with a sale, acquisition, merger, joint venture, takeover, or assignment of any aspect of such party's business or interest therein, so long as the Person receiving such information has agreed, in writing, to hold such Confidential Information in strict confidence; provided, in the event such Person is a multi-channel video programming distributor such disclosure by Network shall not contain names or addresses received by Network from EchoStar and identifiable as Service Subscribers, or (d) as a part of its normal reporting requirements to any Person owning or controlling such party, so long as the Person receiving such information has agreed, in writing, to hold such Confidential Information in strict confidence. It is understood, however, that Confidential Information shall not include: (i) information within the disclosing party's possession prior to it being communicated to the disclosing party by or on behalf of Network, (ii) information publicly known or which becomes publicly known through no unauthorized act or fault of the disclosing party, (iii) information which becomes available to the disclosing party on a non-confidential basis from a source other than the non-disclosing party or any of its affiliates, provided that such source is not bound by a contractual, legal or fiduciary obligation of confidentiality or nondisclosure. In the event that EchoStar or Network is required to disclose Confidential Information under applicable law, the disclosing party shall provide the non-disclosing party with prompt prior notice thereof so that the non-disclosing party may seek a protective order and in the event such order is not obtained, the disclosing party will use reasonable efforts to assure that, if possible, confidential treatment will be accorded such Confidential Information. In addition, Network agrees that it shall not disclose names or addresses identifiable as Service Subscribers received by Network other than from EchoStar to any multi-channel video programming distributor, and Network agrees that it shall not use such names and addresses to market Television Programming Services.

(b) EchoStar agrees to protect and safeguard Software in its possession in the same manner it protects and safeguards its own most valuable proprietary technology and shall not use (except as provided for in this Agreement), disclose or permit any Person to copy or obtain possession of the Software, except as, and then only to the extent, expressly permitted in this Agreement or applicable law. EchoStar shall not use, sublicense, sell, alter, duplicate, translate, decompile, disassemble, reverse engineer, create derivative works from, or recreate or attempt to recreate any Service, Content, or Software that is owned by Network, in whole or in part except as, and then only to the extent, expressly permitted in this Agreement or applicable law.

8. Representations and Warranties.

(a) By Network. Network represents and warrants that (i) it is in compliance with and will comply with all material applicable Laws with respect to its rights and obligations under this Agreement, including without limitation, all material applicable provisions of the Cable Television Consumer Protection and Competition Act of 1992 (as may be amended and any successor, replacement or similar Law or statute) and any and all material applicable regulations issued pursuant thereto (as used herein, "Law" shall mean any FCC and any other governmental (whether international, federal, state, municipal or otherwise) (ii) it has the power and authority to enter into this Agreement and to fully perform its obligations hereunder and once executed this Agreement shall constitute a valid and binding agreement of Network enforceable in

accordance with its terms (iii) the general quality and quantity of programming on the Service shall not materially change from that existing as of the date of this Agreement; and the genre of programming shall not materially change from that described in herein (iv) it has obtained, and shall maintain in full force during the Term hereof, such federal, state and local authorizations as are material and necessary to operate the business it is conducting in connection with its rights and obligations under this Agreement (v) it has secured and shall maintain all rights necessary for EchoStar to use and enjoy its rights in connection with its distribution of the Service. including, without limitation, obtaining or all necessary trademarks, copyrights, licenses and any and all other proprietary intellectual property and other use rights necessary in connection with, and for EchoStar's distribution of, the Service (including without limitation, the right to use the names, titles or logos of the Service or any of its programs, the promotional materials supplied or approved by Network, the names, voices, photographs, music, likenesses or biographies of any individual participant or performer in, or contributor to, any program or any variations thereof) and to perform its obligations hereunder and grant the rights granted pursuant hereto (vi) it shall not, without EchoStar's prior written approval, use the name or logo of EchoStar or "DISH Network" or any other works owned or controlled by EchoStar (and its related companies) (vii) there are no (and it covenants that it shall not enter into directly or indirectly, allow or otherwise permit any) affiliation, distribution or any other agreements, whether written or oral, granting to distributors and/or any other third party, person or entity any form or type of exclusive or other rights that would limit or restrict in any way EchoStar's rights to distribute the Service in the Territory (viii) the obligations created by this Agreement, in so far as they purport to be binding on Network constitute legal, valid and binding obligations of Network which will be adhered to by Network and are enforceable in accordance with their terms (ix) it has licensed and will be responsible to pay all copyright, royalty or other performance rights and licenses, including without limitation "through-to-the-viewer" music performance rights for the Service and/or any other rights necessary from ASCAP, BMI, SESAC and any other applicable performing rights organizations or other applicable entity, and shall maintain all such rights and licenses throughout the Term (x) no third party has, or to the best knowledge of Network no third party has claimed, any rights which would be inconsistent with the rights granted to EchoStar hereunder; (xi) the Service will not contain any material which is obscene, libelous, slanderous, indecent or defamatory nor will it contain any material which violates or infringes any copyright, right of privacy or literary or dramatic right of any person or entity pursuant to the laws of the U.S. and applicable to the Territory. For clarity, the parties agree and acknowledge that (as is the case with the rest of this Agreement, the term Service shall include the ITV Wagering Application.

(b) By EchoStar. EchoStar represents and warrants that (i) it has the power and authority to enter into this Agreement and to fully perform its obligations hereunder (ii) the individual executing the Agreement on its behalf has the authority to do so (iii) the obligations created by this Agreement, insofar as they purport to be binding upon it, constitute legal, valid and binding obligations enforceable in accordance with their terms (iv) it is not under any contractual or other legal obligation which shall in any way interfere with its full, timely and complete performance hereunder (v) it is in compliance with and will comply in all material respects with all material Laws with respect to its rights and obligations under this Agreement, including without limitation, all relevant provisions of the Cable Television Consumer Protection and Competition Act of 1992 (as may be amended and any successor, replacement or similar

Law or statute) and any and all regulations issued pursuant thereto, statute, law, rule, regulation, ordinance, code, directive and order, including without limitation, any court order).;

- (c) No employee, agent, or representative of either party has the authority to bind such party to any oral representation or warranty concerning the Service or portions thereof.
- (d) ITV Wagering Application Warranty. In addition to and without limiting the generality of any warranty contained herein, Network warrants that the ITV Wagering Application will not cause any set top box which is used in conjunction with the Distribution System to perform in a materially adverse manner (outside normal performance in a subscriber environment as actually reported by Service Subscribers). If Network fails to meet the foregoing warranty, Network shall use its commercially reasonable efforts to correct any material errors (specific to ITV Wagering Application set-top box functions) in the ITV Wagering Application as soon as commercially reasonable, but in no event less than four (4) hours after EchoStar provides written notification to Network of such error which notice shall include a detailed description of the error or problem experienced by Service Subscribers. If Network fails to remedy such situation within such four (4) hour period, or if there are more than two (2) set top box interruptions in any consecutive three (3) month period during the Term, EchoStar shall have the right to cease the provision of the ITV Wagering Application and Echostar shall no longer be obligated to fulfill the requirement of Section 2(c)(ii).

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NETWORK MAKES AND ECHOSTAR RECEIVES NO WARRANTIES WHATSOEVER, EXPRESSED, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND NETWORK HEREBY EXPRESSLY AND SPECIFICALLY DISCLAIMS SUCH WARRANTIES.

9. <u>Limitation of Liability</u>.

- (a) No Service Subscriber shall be deemed to have any direct or indirect contractual relationship with Network or any other relationship with Network by virtue of this Agreement.
- (c) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT:
- (A) WITH THE EXCEPTION OF EACH PARTY'S DUTIES WITH RESPECT TO CONFIDENTIALITY AND INDEMNIFICATION, IN NO EVENT SHALL ANY PARTY BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR NOT, OCCASIONED BY ANY FAILURE TO PERFORM OR THE BREACH OF ANY OBLIGATION UNDER THIS AGREEMENT FOR ANY CAUSE WHATSOEVER, WHETHER BASED ON NEGLIGENCE OR OTHERWISE.
- (B) IN NO EVENT SHALL ANY PROJECTIONS, FORECASTS, ESTIMATIONS OF SALES AND/OR MARKET SHARE OR EXPECTED PROFITS, OR OTHER ESTIMATIONS OR PROJECTIONS BY ECHOSTAR OR ANY OF ITS

- DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AFFILIATES, REGARDING OR RELATED TO ECHOSTAR'S DBS BUSINESS BE BINDING AS COMMITMENTS OR, IN ANY WAY, PROMISES BY ECHOSTAR.
- WITH (C) EXCEPTION OF FRAUD, WILLFUL THE MISCONDUCT AND EACH PARTY'S DUTIES WITH RESPECT TO CONFIDENTIALITY AND INDEMNIFICATION, IN NO EVENT SHALL THE AGGREGATE LIABILITY OF EITHER PARTY, OR EITHER PARTY'S RESPECTIVE AFFILIATES IN CONNECTION WITH THIS AGREEMENT EXCEED **ACKNOWLEDGES** UNILATERALLY AGREES AND THAT **ECHOSTAR** DISCONTINUING ITS DISTRIBUTION OF THE SERVICE AND/OR RE-PACKAGING THE SERVICE IN VIOLATION OF THIS AGREEMENT MAY CONSTITUTE WILLFUL MISCONDUCT, PROVIDED THAT NETWORK AGREES AND ACKNOWLEDGES THAT ECHOSTAR'S ELECTION TO UNILATERALLY DISCONTINUE ITS DISTRIBUTION OF THE SERVICE AND/OR RE-PACKAGE THE SERVICE IN RESPONSE TO NETWORK'S UNCURED MATERIAL BREACH OF THIS AGREEMENT MAY BE JUSTIFIABLE NON-PERFORMANCE.

10. Term and Termination.

- (a) <u>Term.</u> The Term of this Agreement shall be for a period of from the Effective Date set forth above. Notwithstanding the foregoing, either EchoStar or Network may terminate this Agreement immediately upon notice to the other party in the event that Network no longer has the legal right to provide the Service as contemplated herein, and in such case, neither EchoStar nor Network shall have any further liability to the other under this Agreement or otherwise.
- (b) <u>Mutual Termination</u>. Either EchoStar or Network may terminate this Agreement, effective upon thirty (30) days prior written notice to the other, in the event that the other has made any misrepresentation herein or breaches any of its material obligations hereunder, and such misrepresentation or breach (which shall be specified in such written notice) is not cured within thirty (30) days of receipt of such written notice; <u>provided that</u> each party agrees and acknowledges that there may be certain breaches which are incapable of being cured and are therefore not subject to any such cure period (the determination of an "uncurable" breach shall be determined by a court of competent jurisdiction or other finder of fact agreed to by the parties).
- (c) <u>Termination by Network</u>. Within ninety (90) days after the occurrence of any of the events described within this Section 10(c), Network may terminate this Agreement at any time upon thirty (30) days prior notice to EchoStar if, after the Effective Date of this Agreement, any federal legislation or regulation is enacted, or order or administrative ruling is issued by a court or agency of competent jurisdiction, that (i) materially alters the terms and conditions pursuant to which Network may authorize delivery of the Service to, or reception of the Service by, EchoStar, (ii) materially alters the terms and conditions pursuant to which EchoStar may authorize delivery of the Service to, or reception of the Service by, Service Subscribers, (iii) regulates Network's selection of affiliates so that Network may no longer deliver the Service to

- EchoStar, (iv) otherwise materially and aversely affects Network in the performance of this Agreement such that Network cannot perform under this Agreement as contemplated herein; or (v) characterizes and regulates the Service or Service in a way that supersedes or materially alters this Agreement. In the event of any termination pursuant to this provision, the parties agree to immediately enter into good faith negotiations to enter into a new agreement which reflect the intention of the parties expressed in this Agreement and of similar economic effect.
- Termination by EchoStar. Within ninety (90) days after the occurrence of any of (d) the events described within this Section 10(d), EchoStar may terminate this Agreement at any time upon thirty (30) days prior notice to Network if, after the Effective Date of this Agreement. any federal legislation or regulation is enacted, or order or administrative ruling is issued by a court or agency of competent jurisdiction, that (i) materially alters the terms and conditions pursuant to which EchoStar may deliver the Service to Subscribers, (ii) regulates Network's selection of affiliates so that Network may no longer deliver the Service to EchoStar (iii) materially and adversely changes or alters or regulates rates which may be charged by EchoStar to Subscribers for the Service, (iv) otherwise materially and aversely affects EchoStar in the performance of this Agreement such that EchoStar cannot perform under this Agreement as contemplated herein, or (v) characterizes and regulates the Service or Service in a way that supersedes or materially alters this Agreement. In the event of any termination pursuant to this provision, the parties agree to immediately enter into good faith negotiations to enter into a new agreement which reflect the intention of the parties expressed in this Agreement and of similar economic effect. Network agrees and acknowledges that the thirty (30) day cure period contemplated hereby may be preempted and EchoStar may immediately terminate this Agreement if EchoStar has a good faith belief, based upon documentation that EchoStar shall provide to Network, that the Service is illegal or is likely to give rise to any liability as a result of the nature of the content or the gaming activities associated with the Service.
- (e) Termination for Bankruptcy. Either Network or EchoStar may terminate this Agreement if a petition in bankruptcy or reorganization is filed by the other under any applicable bankruptcy law now or hereafter in force (unless prohibited by law) or is filed against the other and not vacated within thirty (30) days; or if the other makes an assignment for the benefit of its creditors, or if a receiver, trustee, liquidator, or custodian is appointed for all or a substantial part of the other's property, and the order of appointment is not vacated within thirty (30) days; or if the other assigns or encumbers this Agreement contrary to the terms hereof; or if all or substantially all of the other's property is sequestered, and the order of sequestration is not vacated within thirty (30) days; or the other shall have generally failed to pay its debts as such debts have become due and payable.
- (f) Cessation of Business Operations. Notwithstanding anything contained herein, (i)
 Network shall have the right to terminate this Agreement upon thirty (30) days' prior notice to
 EchoStar in the event Network (A) ceases to provide the Service to any distributor; or (B) ceases
 its business operations in general, and (ii) EchoStar shall have the right to terminate this
 Agreement upon thirty (30) days' prior written notice to Network in the event EchoStar (A)
 ceases to provide a majority of its programming to Subscribers; or (B) ceases its business
 operations in general. Notwithstanding anything contained herein, in the event either party
 terminates this Agreement pursuant to this provision, neither party shall have any continuing

obligation to the other, other than those obligations accrued prior to the effective date of termination.

11. Indemnity.

Network will indemnify EchoStar and its parents, affiliates, subsidiaries, successors, and permitted assigns, and the respective owners, officers, directors, agents, and employees of each (collectively, the "Indemnified Parties") from and against any and all claims, liabilities, damages, costs, and expenses (including reasonable attorney fees and expenses) made by or payable to third parties and arising out of EchoStar's exhibition or other distribution of the Service in accordance with this Agreement, any materials provided to EchoStar by Network (including without limitation any claim that the Service or such materials violate any Intellectual Property Right) and any claim that the gaming activities associated with the Service violate any material applicable Law or are conducted in a fraudulent manner; provided, however, such indemnity shall not apply to the extent said claims are based upon (i) deletions, additions, or alterations to the Service by EchoStar, (ii) materials made by EchoStar and inserted into the Service without the prior written approval of Network regarding the content thereof. In the event of a claim for which an Indemnified Party will seek indemnity or reimbursement under this Section 11, EchoStar shall notify Network in writing as soon as practicable after receipt of such claim; provided that any delay in giving such notice shall not preclude the Indemnified Party(ies) from seeking indemnification or reimbursement thereunder if (x) such delay has not materially prejudiced Network's ability to defend the claim, and (y) such delay does not materially affect the amount of any damages awarded for or paid in settlement of such claim. Network shall have the right to assume full control of the defense of the claim, including retaining counsel of its own choosing. EchoStar shall be entitled to counsel of its own choosing at its own expense, provided that if, based upon the written opinion of EchoStar's counsel, Network has failed to defend or to diligently pursue the defense of any claim, EchoStar shall have the right to assume full control of the defense at Network's cost (including without limitation reasonable attorney's fees and expenses). The Indemnified Party(ies) shall cooperate with Network in the defense of any such claim, including the compromise or settlement of such claim, and shall furnish such records. information and testimony and attend such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested in connection therewith.

12. General.

(a) Notices. Any written notice given under this Agreement shall be to the addresses set forth below. A party may change addresses to which notice shall be sent by giving notice of such change of address in accordance herewith. The notice shall be deemed duly given, if sent to such address by electronic means (telex, electronic mail, or facsimile with confirmation receipt) or if delivered by hand, on the same business day it was transmitted or delivered, or on the next business day if transmitted or delivered on a non-business day. The notice shall be deemed duly given, if sent by prepaid overnight, registered or certified mail, on the day of receipt. The failure to send a notice copy shall not affect the validity of any notice otherwise properly sent and actually received by Network or EchoStar.

if to Network:

TV Guide Affiliate Sales, Inc.

6922 Hollywood Boulevard, 12th Floor

Hollywood, California 90028

Attn: EVP, Affiliate Sales & Marketing

Attn: General Counsel

With a copy to:

TV Guide Affiliate Sales, Inc.

6922 Hollywood Boulevard, 12th Floor

Hollywood, California 90028

Attn: SVP, Business & Legal Affairs

ODS Technologies, L.P.

6701 Center Drive West, Suite 160 Los Angeles, California, 90045 Attention: President and CEO

Fax No.: 310-242-9501

if to EchoStar:

EchoStar Satellite LLC

9601 South Meridian Boulevard Englewood, Colorado 80112

Facsimile Number: (303) 723-1999

Attn: Senior Vice President, Programming

cc: Office of the General Counsel Facsimile Number: (303) 723-1600

(b) Assignment.

(i) At all times during the Term up to and including November 9, 2009 the following assignment provision shall apply: Neither party shall assign or transfer this Agreement, or any rights or obligations hereunder, without the prior written consent of the other party, which shall not be unreasonably withheld; provided, however, no consent is necessary in the event of an assignment (i) to a successor entity resulting from a merger, combination or consolidation by either party or its parent(s), (ii) to the transferee of all or substantially all of the assets of either party or its parent(s); (iii) to an affiliate, which is an entity under common control, controlled by or in control of either party, and with regard to Network, affiliates shall include Liberty Media and News Corp. and their respective affiliates. Any purported assignment or transfer in violation of the foregoing shall be null, void and unenforceable. This Agreement and the rights and obligations hereunder shall inure to the benefit of and be binding upon the parties' permitted successors and assigns.

⁽ii) At all times during the Term subsequent to November 9, 2009, the forgoing Section 12(b)(i) shall be replaced with the following: This Agreement is binding upon the heirs, legal representatives, successors and assigns of EchoStar and Network. Neither party may assign or otherwise transfer any of its rights or obligations under this Agreement without the prior express

written consent of the other party to this Agreement, except that (A) EchoStar may assign this Agreement in whole or in part to an EchoStar Affiliate at any time without the consent of Network; (B) EchoStar may assign this Agreement in the event of a merger, consolidation, corporate restructuring, or in the case of a sale of all or substantially all of its assets without the written consent of Network; (C) Network may assign this Agreement without the consent of EchoStar in the event of a merger, consolidation, corporate restructuring, or in the case of a sale of all or substantially all of the assets or equity interest of network's parent company (currently Gemstar TV Guide International Inc.) or (D) Network may assign this Agreement without the consent of EchoStar in the event of a consolidated transaction involving the sale of the TV Guide Channel, the TV Games Channel and TV Guide Magazine business to a single party, provided, that as a condition precedent to the assignment contemplated by (C) or (D) any successor entity must agree that the three aforementioned properties shall remain under the common control of such entity for the Term of this Agreement and shall further agree to assume the obligations of this Agreement in full and be irrevocably bound hereby. In furtherance and without limitation of the foregoing, in the event that any person or entity who, as of the date first written above, did not possess, directly or indirectly, the power to direct or cause the direction of management or policies of Network, whether by virtue of the ownership of voting stock, by contract or otherwise, later comes into possession of such power, that will be considered an assignment requiring EchoStar's consent hereunder and invoking EchoStar's termination rights pursuant to Section 6 of this Agreement. Notwithstanding anything to the contrary in the foregoing, Network may not make any assignment of its rights or obligations under this Agreement to a competitor of EchoStar in the multi-channel video programming distribution business without prior written consent of EchoStar. Any assignment or other transfer prohibited herein shall be null and void.

- (c) <u>Sale or Disposition</u>. Each party, and any Person(s) controlling each party respectively (by stock ownership, voting power, contract, as a creditor or otherwise), agrees that in connection with any sale, transfer, encumbrance or other disposal of, in whole or in part, directly or indirectly, of all or substantially all of its stock or assets, whether by merger, consolidation, sale of assets or equity interest, assignment, transfer, combination, joint venture, management contract, assimilation, attribution or amalgamation of any kind whatsoever (a "<u>Disposition</u>"), (and, for purposes of clarification, if such Disposition is permitted pursuant to Section 12(b) above) such Person(s) acquiring or succeeding to such interest shall agree prior to the closing of such Disposition, in writing, to assume and comply fully with all obligations of the party engaging in the Disposition with respect thereto pursuant to this Agreement.
- Network nor EchoStar shall have any liability to the other or any other person or entity with respect to any failure of Network or EchoStar, as the case may be, to transmit or distribute the Service or perform its obligations hereunder if such failure is due to any failure or degradation in performance of Network's U.S. satellite or the satellite(s) or transponders on such satellites (as applicable) or of the Distribution-System (in which case, EchoStar shall be excused from its distribution obligations under this Agreement), or of any scrambling/descrambling equipment or any other equipment owned or maintained by others (including, without limitation, EchoStar's automated billing and authorization system), any failure at the origination and up-linking center used by Network or EchoStar, any labor dispute, fire, flood, riot, legal enactment, government

regulation, Act of God, or any cause beyond the reasonable control of Network or EchoStar, as the case may be (a "Force Majeure"), and such non-performance shall be excused for the period of time such failure(s) causes such non-performance; provided, however, that if EchoStar determines in its sole discretion that it is commercially or technically unfeasible to cure a Force Majeure with respect to the Distribution System or satellite and so notifies Network, then either party may terminate this Agreement effective upon written notice to the other party. The parties acknowledge and agree that although the Service may at any given time be uplinked to only one of several DBS satellites, failure or degradation in any of such DBS satellites may require EchoStar to reduce the number of programming services available for allocation among all of the DBS satellites, with such reduction including, without limitation, curtailment or termination of the distribution of the Service by EchoStar, at EchoStar's sole discretion. Accordingly, Network further acknowledges and agrees that the provisions set forth in the first sentence of this Section 12(d) shall apply and shall exculpate EchoStar and excuse the performance of EchoStar hereunder in the event of a failure or degradation of any of the DBS satellites or the transponders on any such satellites, regardless of whether the satellite to which the Service is uplinked at the time of such failure or degradation is itself the subject of such failure or degradation.

- (e) <u>Taxes</u>. As between Network and EchoStar, EchoStar shall be responsible for and forever hold Network harmless from any and all taxes (including, without limitation, any fees payable to local or state franchising authorities) and other charges which are or may be imposed upon or assessed against EchoStar in connection with this Agreement and the rights granted herein to EchoStar (including, without limitation, any tax or charge based upon goods and services distributed by EchoStar to Service Subscribers by sale or otherwise).
- (f) Attorney Fees. If any legal proceeding is brought by either party to enforce any part of this Agreement (including the establishment of a claim for indemnity), the prevailing party shall be entitled to receive, in addition to all other relief, reasonable attorneys' fees and expenses.
- (g) <u>Waiver</u>. No term or condition of this Agreement shall be waived, and no breach shall be excused, unless such waiver or excuse is in writing and signed by the party against whom such waiver or excuse is, or might be, claimed. In no event shall any waiver or excuse of a breach be deemed a waiver or excuse of any subsequent breach; whether such breach is similar or dissimilar.
- (h) Governing Law. The parties hereto agree and intend that this Agreement shall be deemed to have been executed, delivered, and performed in the State of New York, and shall be governed by, construed, and enforced in accordance with the laws of such State without regard to any conflicts of law principles thereof that would require the application of the laws of any other state or jurisdiction. The parties hereby agree, consent, and submit to the exclusive jurisdiction and venue of the state or federal courts situated in New York, New York.
- (i) No Inference. No provision of this Agreement shall be interpreted against either party because such party, or its legal representative, drafted such provision.

- /(j) <u>Captions</u>. The Section captions contained herein are included solely to facilitate reference and shall, in no event, be deemed to limit, define, modify, or in any way affect the content of the Sections.
- (k) No Illegality/Severability. Nothing contained in this Agreement shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision of this Agreement and any statute, law, ordinance, order or regulation, applicable to either party and contrary to which the parties hereto would otherwise have a legal right to contract, as determined in the reasonable interpretation or opinion of either party, such statute, law, ordinance, order or regulation shall prevail and the affected party may modify its performance to be in accordance with its reasonable interpretation or opinion of such applicable statute, law, ordinance, order or regulation; provided, however, that in such event the provision of this Agreement so affected shall be curtailed and limited only to the extent necessary to permit compliance with the legal requirement, no other provisions of this Agreement shall be affected thereby, all such other provisions shall continue in full force and effect. The parties agree to immediately enter into good faith negotiations to replace such invalid or unenforceable term or condition with a valid term or condition which reflects the intention of the parties and of similar economic effect.
- (l) <u>Counterpart Signatures</u>. The parties agree that this Agreement may be executed in counterpart, all of which together, so executed, shall constitute one and the same instrument.
- (m) No Joint Venture. Nothing in this Agreement shall be deemed to create any joint venture, partnership or principal-agent relationship between EchoStar and Network, and neither shall hold itself out in its advertising or in any other manner which would indicate any such relationship with the other.

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- (o) <u>Survival of Provisions</u>. All representations and warranties, duties to indemnify and duties with respect to confidentiality contained herein or made by the parties, and each of them, in connection herewith shall survive termination or expiration of this Agreement indefinitely.
- (p) Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all other prior or contemporaneous written or oral agreements between the parties with respect thereto. This Agreement may not be amended in any manner unless such amendment is in writing and is signed by duly authorized representatives of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ECHOSTAR SATELLITE LLC	ODS TECHNOLOGIES, L.P. D/B/A TVG NETWORK
By: Mach	Ву:
Print Name: Michael Schwimmer	Print Name:
Print Title: Sr. Vice President, Programming	Print Title: